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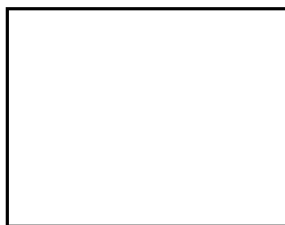
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NATIONAL INTELLIGENCE DAILY CABLE

Thursday 8 June 1978

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**NATIONAL SECURITY INFORMATION**  
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National Intelligence Daily Cable for Thursday, 8 June 1978.

The NID Cable is for the purpose of informing senior US officials.

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ETHIOPIA: Eritrean Offensive

25X1 [ ] //Ethiopian plans for major offensive operations against the Eritrean insurgents appear to be encountering delays that may postpone the start of heavy fighting into the summer rainy season or beyond. The delays have apparently been caused by the lack of Soviet and Cuban support for a full-scale offensive, the need to mass large numbers of Ethiopian forces in the region, and the stiff opposition offered by insurgent forces to recent government probing actions.//

25X1 [ ] Except for a brief upsurge in ground fighting in the Asmara area in mid-May and continued fighting at the isolated government garrison of Barentu, the level of sustained combat activity on the Eritrean front is considerably less than might have been expected at this point. We find this somewhat puzzling, given the fact that the rainy season--which will inhibit Ethiopian air operations--is likely to begin in a few weeks and continue through early September.

25X1 [ ] //The recent abortive effort by Ethiopian forces to break the insurgents' nine-month siege of Asmara may have dimmed the government's confidence about starting a full-scale offensive. The Ethiopians [ ]

25X1 [ ] may now be concerned that the increasing pressure on Havana and Moscow from the Arabs and members of the nonaligned movement not to become involved in Eritrea has raised the threshold at which Cuba would send troops to rescue a stalled Ethiopian offensive.//

25X1 [ ] An estimated 2,200 Cuban military advisers and technicians are attached to Ethiopian armor, artillery, and air units in Eritrea and nearby Tigre Province, but no Cuban air or ground combat units appear to have been deployed to northern Ethiopia thus far.

25X1 [ ] //Chairman Mengistu is almost certainly determined to pursue a military option in Eritrea, but he may have some doubts about Ethiopia's ability to conduct a sustained offensive. Mengistu may calculate that by limiting the scope of operations in Eritrea, he will not need as much direct Cuban assistance.//

25X1 [ ] If operations in Eritrea go sour, however, the Ethiopians will not hesitate to ask the Soviets and the Cubans to

bail them out. The USSR would probably agree to increase its direct support to Ethiopia, but at the same time would intensify its search for a negotiated settlement. Cuba, with casualties and diplomatic costs in mind, would be reluctant to commit combat troops but would nevertheless do so if convinced such action was necessary to preserve the Mengistu regime.

25X1 [ ] Ethiopia's Ambassador to Kenya told a Nairobi press conference last Friday that recent probes in Eritrea by government forces were not a "general" offensive along the lines of that conducted against Somali forces in the Ogaden, but rather were targeted against "selected" military objectives occupied or encircled by Eritrean insurgents. More important, the Ambassador ruled out the use of Cuban troops in Eritrea--the first time any Ethiopian official has said this.

25X1 [ ] The envoy also repeated the government's offer to negotiate with the Eritreans on the basis of its nine-point peace plan of May 1976, a vaguely defined formula for regional autonomy that the insurgents have steadfastly rejected in favor of complete independence.

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#### USSR-JAPAN: Military Exercise

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[ ] Soviet military exercises near the four islands Japan refers to as the northern territories is likely to add new strains to Soviet-Japanese relations. The Japanese Government, as it has done in similar situations in the past, has been giving considerable attention to the recent Soviet naval maneuvers. Japanese Chief Cabinet Secretary Abe charged yesterday that it would be "unreasonable and unlawful" for the Soviet Union to designate this area as a danger zone and conduct war games there. The military maneuvers may well serve the purpose of showing Moscow's displeasure over Japan's proposal to China on 31 May to resume talks on a peace and friendship treaty at the earliest possible date.

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[ ] Moscow gave Tokyo advance warning of the exercises last Thursday, the day after the Japanese Government announced its proposal to resume the Sino-Japanese treaty negotiations. According to press reports, the Soviet Union has indicated that live firing drills would be conducted from 6 to 12 June off Iturup Island, largest of the four Soviet-held, Japanese-claimed islands that comprise the northern territories.

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[ ] By conducting these exercises, the Soviets may be displaying their irritation with Tokyo's proposal to China that the two sides resume negotiations as soon as possible on a peace and friendship treaty. Moscow vehemently opposes the treaty because the Chinese insist that it include a clause against the establishment of hegemony in Asia and the Far East-- a thinly veiled allusion to the USSR.

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[ ] Soviet officials in recent days have stepped up attacks on the proposed treaty, charging that Peking will use it to forge closer political and military ties to Japan in support of its anti-Soviet foreign policy. Soviet media have also charged that the US welcomes the resumption of the treaty talks and is pushing Japan into an alliance with China to exert greater pressure on the Soviet Union.

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IRAQ-USSR: Communists Executed

*[redacted] //Iraq has confirmed that last month it executed 21 Iraqi Communists charged with attempting to establish cells in the military. [redacted]*

*[redacted] military personnel are prohibited from joining the Communist Party or engaging in any political activity except that sanctioned by the ruling Baath Party. The government denies that the executions indicate it is reassessing its relations with the USSR.//*

*[redacted] //The executions serve to underline Iraq's concerns over the USSR's activities in the area and to warn the Soviets against getting involved in Iraq's internal affairs. There is no evidence, however, to support recent Syrian press speculation that Iraq is re-examining its 1972 Treaty of Friendship with the USSR and is considering expelling Soviet advisers. The Syrian charges were undoubtedly intended to embarrass Iraq and put it on the defensive.//*

*[redacted] //Relations between Iraq and the USSR have nonetheless been seriously strained over Soviet-Cuban activities in the Horn of Africa--Iraq has long supported the Eritreans in their struggle with Ethiopia--and Iraqi diplomats have voiced concern about Soviet involvement in the recent coup in Afghanistan.//*

25X1 [ ] Soviet Ambassador Barkovskiy and a special Soviet Foreign Ministry emissary visited Baghdad this week and Iraq may have used the occasion to reassure them that formal relations between the two governments will remain stable. The Iraqis seem to be trying to link the executions to internal security precautions. The local Communists were charged with circulating the National Front charter that brought the Communist Party into the government in 1973 and with conspiring in the military to overthrow the regime.//

25X1 [ ] //Newspaper editorials are warning the military about the dangers of illegal political activity, and Iraqi leader Saddam Husayn has railed against "hostile forces using religion to achieve political objectives." This is probably a warning to the large Shiah Muslim population, which has been a source of support for the local Communist Party. [ ] 25X1

COLOMBIA: Turbay Apparent Winner

25X1 [ ] //Liberal Party candidate Julio Cesar Turbay seems to have won a narrow victory in Sunday's election in Colombia; he will face major challenges in convincing his countrymen that he is presidential timber.//

25X1 [ ] //The lead seesawed between Turbay and his Conservative opponent, Belisario Betancur, and both contestants claimed victory before the National Registry--which maintains the official vote count--announced Turbay's win on Tuesday. The final count must yet be ratified by the Electoral Court, a process that will take some time, particularly if it involves investigation of fraud charges and recounting votes in several contested districts. In the end, Turbay will probably be declared president-elect and be inaugurated on 7 August to begin a four-year term.//

25X1 [ ] //Turbay apparently took 48.7 percent of the votes to Betancur's 46.9 percent. Spokesmen for Betancur have challenged the authenticity of this count, and Betancur has yet to concede. If he contests the results in the courts, an extended period of political uncertainty will follow.//

25X1 [ ] //A Conservative Party leader has discounted the possibility of violence over the disputed returns, but he stressed that the situation will remain tense for some time.

Senior leaders in both major parties appear to be counseling patience to their supporters and seem ready to abide by a final decision.//

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[REDACTED] //Political and social turmoil preceding the voting had led the government to mobilize 200,000 soldiers to maintain order on election day. As a precaution, the Defense Ministry is keeping the troops on duty until further notice, but the postelection atmosphere has been calm.//

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[REDACTED] //Turbay's poor showing--a margin of 86,000 votes out of 4.7 million ballots cast, compared with earlier predictions of up to a half-million majority--appears to rest as much with his pedantic style and poor campaign tactics as with popular enthusiasm for his Conservative challenger. Turbay's inability to resolve divisions within his own party or to put to rest corruption charges against him and his family were additional liabilities and will continue to be so during his presidency.//

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[REDACTED] //As expected, popular apathy was high. Approximately 68 percent of the eligible voters failed to cast ballots. Turbay's lack of a popular mandate, coupled with the Conservatives' nearly equal performance at the polls, may force him to continue certain aspects of the biparty National Front coalition in order to preserve national unity.//

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[REDACTED] //Most Colombians expect Turbay will largely continue the policies initiated by President Lopez. Turbay has indicated, for example, that he intends to support Lopez' drug-control program. Unlike Lopez, however, Turbay will begin his term as a weak and unpopular president, and serious labor, crime, and student problems await him. [REDACTED]

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#### UK: Buying French Missile Engine

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[REDACTED] //The UK has selected a French engine for use in an air-to-surface missile, [REDACTED]

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[REDACTED] Although the missile is probably intended for short-range use against air defenses, the French engine has been successfully tested for use in long-range cruise missiles. It has been apparent for some time that the Callaghan government is giving more thought to long-range cruise missile deployment than recent public statements by British officials would indicate.//

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[ ] //The French engine, made by Microturbo, is similar in size and thrust to the engine the US developed for its long-range cruise missile program, but its range is shorter because of relatively high fuel consumption. Microturbo's contract with the British requires that the engine be assembled in the UK.//

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[ ] //There are strong pressures on the British to retain their nuclear capability, and they could do so more cheaply with a long-range cruise missile than through other options. Although long-range cruise missiles can be launched from ground or sea platforms, deployment of an air-launched missile would preserve the UK's strategic air capability by using obsolescent British Vulcan bombers or newer Jaguar or Tornado fighter-bombers as launch platforms.//

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[ ] //The US has preserved the option of providing the UK with longrange cruise missiles, but the UK may prefer to deploy its own cruise missiles or those produced in cooperation with another West European power. Last month, a leading British Conservative Party defense spokesman proposed that collaboration between the UK and France in the nuclear weapons field be seriously considered. The UK will probably decide whether to proceed with an independent cruise missile program within the next year or two. [ ]

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#### MALTA: Neutrality Negotiations

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[ ] //Multilateral negotiations on Malta's status after the British withdraw their military forces from the islands next year are apparently entering a decisive phase. Malta, France, Italy, Libya, and Algeria are attempting to devise a declaration of neutrality for Malta that would effectively exclude both Soviet and US military vessels from Maltese shipyards after 1979. The main obstacle is Prime Minister Mintoff's continued attempt to link guarantees of Maltese neutrality to pledges of economic assistance from EC and Arab countries.//

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[ ] //A negotiating session last month produced several positive developments, according to Italian diplomats involved in the talks. The Maltese agreed that neutrality should be made a matter of law rather than a political concept. This presumably is designed to prevent Mintoff from giving the agreement an interpretation different from that intended by the negotiators.//

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25X1 [ ] //The Maltese have also agreed that the nations involved in the neutrality negotiations should ratify identical agreements; the Maltese had earlier argued that because certain participants, such as the Libyans, were willing to provide more explicit guarantees of Maltese neutrality, they should be allowed to issue their own version of the declaration. The Italian negotiator believes, finally, that the agreement will deny the Soviets access to Maltese repair and basing facilities, thus protecting Western interests.//

25X1 [ ] //From the US point of view, the most acceptable Maltese neutrality declaration would be one that specifically barred all Soviet and US naval vessels and auxiliaries from Maltese facilities. We have not seen the full text of the agreement but, according to most reports, it merely bars military vessels of countries belonging to "major alliances."//

25X1 [ ] //This version could give the Maltese Government greater freedom to interpret the treaty than it would have if US and Soviet ships were explicitly excluded. A liberal interpretation might prove advantageous to the Soviets, because of their frequent use of commercial cover for military support ships and quasi-military vessels.//

25X1 [ ] //In any event, Mintoff has made clear that he is not prepared to complete the discussions until there is agreement on an economic aid package to offset the financial loss Malta will suffer when the British leave. Although the West Germans are expected to take the lead in sounding out EC members on the issue, a letter Mintoff sent to Chancellor Schmidt six weeks ago asking about economic assistance is still unanswered. The Italian Ambassador in Valletta says his government will try to pin down West German Foreign Minister Genscher on this subject when he visits Rome later this month.//

25X1 [ ] //In a related development, a high-level Soviet trade delegation arrived in Malta on 1 June to discuss enhanced commercial relations. It is unclear whether Malta will derive any substantial economic benefit from these contacts, but they do serve Mintoff's broader interests by hinting at other policies he could pursue if the negotiations on the neutrality agreement and economic assistance fail to meet Malta's perceived needs.

BRIEF

Libya-Chad

25X1 [ ] The second phase of the peace talks among Chad, anti-government rebels, and their Libyan benefactors, scheduled for yesterday in Libya, apparently did not take place. The US Embassy in Ndjamena has learned informally from the Chadian Government that the negotiations may be held later. Because of a recent increase in fighting, it is doubtful that a meeting would accomplish much right now.

25X1 [ ] Despite two recent military successes by the French-supported Chadian forces against the rebels, the position of President Malloum's government remains precarious. The regime's inability to cope with the insurgency and simultaneously deal with pressing economic and social problems remains unchanged and continues to fuel antigovernment sentiment. [ ]

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